

**Wisconsin Department of Public Instruction, Financial Services Team**  
**WISCONSIN PUBLIC SCHOOL DISTRICT AUDIT MANUAL**

**DEPARTMENT OF PUBLIC INSTRUCTION**

**PUBLIC LIBRARY SYSTEMS AID**

**255.002**

**I. PROGRAM OBJECTIVES**

This aid is used to ensure that access to library resources and services is made available on an equitable basis to all State residents; to enhance the quality of local library staff and services; and to ensure that statewide access to library materials and services is achieved.

**II. PROGRAM PROCEDURES**

Aid is paid based on the formula specified in Statute 43.24. No separate claim form is submitted.

**III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES**

***A. TYPES OF SERVICES ALLOWED AND UNALLOWED***

**COMPLIANCE REQUIREMENT**

State aid is for the operation and maintenance of the system. Annually a system shall have on file a plan approved by the DPI for the use of State aid it will receive. In a federated system the plan must indicate the funds to be used by the system for system services, and the fund, if any, to be used for distribution among designated libraries in the system, showing how such distribution among designated libraries in the system, showing how such distribution will contribute to the system plan of services. No more than 20 percent of the aid received can be used for administrative purposes.

**SUGGESTED AUDIT PROCEDURES**

Review the plan and compare to actual aid use.

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Determine that no more than 20 percent of aid received is used for administrative purposes.

Determine that the annual plan has been approved by the Department of Public Instruction (DPI).

### ***B. ELIGIBILITY***

#### **COMPLIANCE REQUIREMENT**

For a public library system to qualify for and maintain its eligibility for state aid it must provide for:

- a. Interloan of library materials among all participating public libraries as evidenced by agreements with those libraries.
- b. Reference and referral services from the system resource library for participating public libraries as evidenced by an agreement with that library.
- c. Complete library service as provided by the system resource library to any resident of the system on the same terms as the service is available to residents of the resource library community as evidenced by an agreement with that library.
- d. The honoring of a system wide borrower's card or valid borrower's cards from all public libraries within the system that are system members, by all participating public libraries in the system as evidenced by agreements with those libraries.
- e. In-service training for participating public library personnel within the system as evidenced by a plan and a service program.
- f. Rapid and regular delivery and communication systems for participating public libraries as evidenced by a written plan and service program.
- g. Service agreements with all adjacent library systems as evidenced by the agreements.
- h. Professional consultant services to participating public libraries and counties as evidenced by a written plan and a service program.

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- i. Cooperation with other types of libraries in the system area as evidenced by agreements with those libraries of appropriate sharing of library resources to benefit the clientele of all libraries.
- j. Continuous planning with the division and with participating public libraries and counties in the area in regard to developing the library materials collection to meet the service needs as evidenced by a written collection development plan.
- k. Continuous planning with the division and with participating public libraries and counties in the areas in regard to providing service to users with special needs and the coordination and implementation of a plan of service as evidenced by the written plan and documentation of its implementation.
- l. Continuous planning with the division and with participating public libraries, counties and other types of libraries in the area in regard to furthering cooperative activities among all types of libraries in the system areas as evidenced by a written plan.
- m. Continuous planning with the division and with participating public libraries and counties in the area in regard to the library automation and technical services as evidenced by a written plan.

### **SUGGESTED AUDIT PROCEDURES**

Determine that required agreements and written plans exist.

#### ***C. MATCHING, LEVEL OF EFFORT AND/OR EARMARKING***

The auditor is not expected to test for matching, level of effort or earmarking.

#### ***D. REPORTING REQUIREMENTS***

### **COMPLIANCE REQUIREMENTS**

A public library system is required to file an annual report and evaluation describing its operations and reporting on its income, expenditures, and programs. The system is also responsible for collecting and disseminating member reports (PI-2401) and reviewing these forms for accuracy. The following forms to accomplish this are prescribed by the DPI:

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Public Library Annual Report (PI-2401): Required to be submitted by February 15 to system headquarters or to the DPI if a nonsystem library.

Public Library System Annual Report (PI-2404) and System Evaluation:  
Required to be submitted by March 1 to the DPI.

## **SUGGESTED AUDIT PROCEDURES**

Review procedures used to prepare reports and evaluate for adequacy.

Review reports for completeness of submission.

Trace financial and nonfinancial data to support documentation.

Review procedures for editing member library reports that determine that system records agree with member library reports.

## ***E. SPECIAL TESTS AND PROVISIONS***

### **COMPLIANCE REQUIREMENT**

A public library system is required to maintain appropriate public records of the system's financial activities in accordance with accepted accounting practices.

### **SUGGESTED AUDIT PROCEDURES**

Review procedures and evaluate for adequacy.